

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 12, 2013

Rick Havenstrite
Desert Hawk Gold Corporation
7115 North Division Street, Suite B #351
Spokane, Washington 99208

Subject: Accepted Air Quality Approval Order, Desert Hawk Gold Corporation, Kiewit Project Mine,

M/045/0078, Tooele County, Utah

Dear Mr. Havenstrite:

The Division of Oil, Gas and Mining accepts the Approval Order (AO) from the Division of Air Quality and will incorporate it into Appendix XIV of the Notice of Intention to Commence Large Mining Operations. A copy of the AO stamped approved is included for you copy of the Notice of Intention, but the Division recognizes it is only accepting the AO and not truly approving it. The Division asks that in the future you include form MR-REV with submittals of this nature.

Certain items in the Notice of Intention and associated documents need to be completed before the Division issues final approval.

- 1. Minor edits to the introduction of the permit, noting discrepancies, and a revised table of contents.
- 2. Reclamation surety concurrence from the Bureau of Land Management. The Division does not anticipate receiving this concurrence until the BLM has completed analysis under the National Environmental Policy Act (NEPA).
- 3. Submittal of the reclamation surety.
- 4. Submittal of a completed reclamation contract (form MR-RC).

There will also be certain conditions when final approval is issued.

- 1. Mining at the Clifton Shears will not exceed 20 feet in depth until additional rock characterization has been completed by the operator.
- 2. No mining may be done at the Yellow Hammer until rock characterization has been completed by the operator.
- 3. Mining at the Kiewit will include rock characterization as committed in the Notice of Intention.
- 4. Backfilling and grading reclamation bond monies will not be released until the heap leach draw down has been completed.



Page 2 of 2 Rick Havenstrite M/045/0078 February 12, 2013

Please call Leslie Heppler at 801-538-5257 or me at 801-538-5261 if you have any questions regarding this letter. In reply, please refer to file number M/045/0078. Thank you for your cooperation.

Minerals Program Manager

PBB: lah: eb

Keith Moeller keith@cliftonmining.com

Stephen Allen, BLM <u>SAllen@blm.gov</u>
Mark Novak, DEQ <u>MNovak@utah.gov</u>
P.\GROUPS\MINERALS\WP\M045-Tooele\M0450078-KiewitProject\final\AMEND-5284-02072013.doc